

**DEPARTMENT OF WATER AND POWER  
OF THE CITY OF LOS ANGELES**

**REQUEST FOR PROPOSAL  
TO PROVIDE NEW AND/OR EXISTING RENEWABLE ENERGY FOR  
THE DEPARTMENT OF WATER AND POWER  
OF THE CITY OF LOS ANGELES**

**January 4, 2000**

**Proposal returnable at or before 2 p.m. on February 9, 2001**

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# **1 REQUEST FOR PROPOSALS**

The City of Los Angeles, Department of Water and Power (LADWP), Green Power for a Green LA program (GreenLA), has prepared this request for proposals.

Its purpose is to solicit proposals from qualified persons and organizations interested in providing renewable energy for LADWP.

LADWP has established its Green Power Program to encourage the development of new, renewable power generation sources for LADWP customers. In addition, LADWP, through its integrated resource plan, has determined to provide at least 25% of future load growth from renewable energy. Current total load growth is projected to be 80 MW per year for the next five years.

Through this RFP process, LADWP will contract for the long term (up to 20 years) purchase of energy from new renewable energy sources. A new source of green power can generally be defined as a generation source that was not available as of September 26, 1996. Facilities that may qualify have either increased their generation capacity after this date, or have undergone major capital improvements, which without such improvements, such facilities would have ceased to generate electricity.

Also, through this RFP process, LADWP may contract for short or long term purchases of existing renewable resources, with particular interest in resources that are available on peak in the third quarter of 2001.

The following is a partial list of the types of proposals that DWP will evaluate. The list is provided for convenience only and should not be considered to be all-inclusive.

- 1) Large Wind-Power Generation
- 2) Micro Wind-Power Generation
- 3) Residential Rooftop Solar Power Systems
- 4) Commercial Structure Solar Systems
- 5) Small Hydroelectric Systems less than 30 Megawatts
- 6) Biomass Power Generation
- 7) Geothermal Power Generation

All proposals must meet the requirements set forth herein. All proposals must be received by LADWP on or before 2 p.m. on Friday, February 9, 2001. Selection will be based on responsiveness to the requirements and benefits to LADWP, as determined by LADWP in its sole discretion. LADWP reserves the right, at any time, to reject any or all proposals for any reason.

## **2 GENERAL PROCEDURES**

### **2.1 Notice of Intent to Respond**

Proposers must complete the “notice of intent to respond” form, included in Appendix “B”, in order to be notified of updates to this RFP.

Future correspondence, including any clarifications, related to this RFP will be sent only to Proposers that return the notice of intent to respond.

### **2.2 Clarifications**

#### **To Proposers**

Proposers desiring any clarification or explanation regarding this RFP may write, fax, or e-mail to:

John Giese  
111 North Hope Street, Room 1021  
Los Angeles, CA 90012  
213 367 0434 voice  
213 367-4507 fax  
jegiese@LADWP.com

Insofar as practicable, questions concerning the RFP should be submitted with the notice of intent to respond. All questions will be answered in writing if sufficient time is available to respond to all Proposers.

#### **To Department**

The Department will perform an initial review of the proposals to determine if all required information has been provided. Where deficiencies are not material, the Department may, at its sole discretion, grant a period of seven (7) working days to the Proposer to cure such deficiencies.

### **2.3 Proposal Submittal**

All proposals should be received by the Department, at the address specified in section 2.2 by 2 p.m. on Friday, February 9, 2001.

All proposals should be hand delivered by the Proposer or its designee, or transmitted to the Department by a certified package delivery process.

Proposer should submit an original and five copies of the complete proposal in a sealed envelope that is clearly marked “Response to Request for Proposal to Provide New and/or Existing Renewable Energy for the Department of Water and Power of the City of Los Angeles”.

All proposals will be opened after the response deadline. Proposals received after the response deadline will be returned unopened to the Proposer.

## 2.4 Proposal Requirements

Each proposal shall be effective for a minimum of 180 days after the response deadline. Proposers may be requested to extend their proposal until an agreement is reached.

The address used in the proposal shall be considered the legal address of the Proposer and shall be changed only by written notice to the Department. The Proposer shall supply an address to which certified mail can be delivered. The delivery of any communication to the Proposer either personally, or to such address deposited in the United States Mail, registered or certified with postage prepaid, addressed to the Proposer at such address, shall constitute a legal service thereof.

The proposal should be typed or printed on 8 ½" x 11" size paper, double sided except for figures and drawings, and paginated.

## 3 Schedule

### 3.1 Tentative Schedule Of Events

An approximate schedule for proposal evaluation and Proposer selection is as follows:

RFP Release	1/4/01
Proposals Due	2/9/01
Proposer Interviews, if necessary	2/15/01
Selected Proposers Determined	3/1/01
Evaluation Completed	3/15/01
Agreements Executed by the Department after obtaining City Council approval	5/1/01

## 4 Evaluation

### 4.1 Proposal Evaluation And Discussions

The Department may award a contract on the basis of proposals submitted, without discussions, or may negotiate further with those Proposers at its sole discretion. Proposals should be submitted on the most favorable terms the Proposer can provide. The authority for any agreement to contract rests with the Board of Water and Power Commissioners following a recommendation by the Department's General Manager. The Los Angeles City Council has discretionary authority to review and make final decisions on all actions taken by all City Commissions including the Department. The successful Proposer will be notified, in writing, when such review process has been completed, and of the award date of the contract

Proposal evaluation will be based on responsiveness to requirements of this RFP. Subject to the requirements of this RFP, Proposals will be graded on the lowest delivered cost to LADWP.

The Department will perform an initial review of the proposals to determine if all required information has been provided. Where deficiencies are not material, the Department may, at its sole discretion, grant a period of seven (7) working days to the Proposer to cure such deficiencies.

An evaluation of eligible or not eligible will be made of each proposal and the eligible proposals will be compared.

Eligible proposals will undergo a detailed analysis of the cost to LADWP of the energy offered. This analysis will consist of an evaluation of the Proposers ability to deliver what is proposed, and a comparison of costs and benefits offered. Although not required, preference may be given to proposals that have California Energy Commission (CEC) certification as renewable generation sources.

After the proposals have been reviewed and evaluated, selected Proposers may be asked to make a presentation of their proposal to the Department personnel and field questions concerning the proposal.

After the interviews and the evaluation are completed, one or more Proposers may be requested to enter into contract negotiations.

In order to ensure proper consideration to special provisions of the proposal, Proposers should explain in detail any provisions that may not be obvious. Clearly mark portions of a proposal that are variances of a base proposal. It is critical that proposals be clear and concise as to what is offered.

Part of the recommendation for selection will be based on an assessment of the Contractor's ability to rapidly bring renewable energy on line beginning in the 3rd quarter of 2001, and cost competitiveness.

#### 4.2 Awards

Successful Proposers will receive a contract to provide new and/or existing renewable energy to LADWP.

It is the intent of LADWP to award multiple contracts under this RFP according to the following energy volume criteria:

<u>% of Energy Volume</u>	<u>Description</u>
50 – 90	Lowest cost, non Biomass
0 – 50	Biomass
0 – 10	Wind

For the purposes of this RFP, Proposers may assume that the current demand for new renewable resources is up to 100 MW with a contract term of up to 20 years, and that

the demand for existing renewables is up to 100 MW for on-peak renewable resources available in the third quarter of 2001.

Awards will be based on the lowest cost to LADWP for the energy proposed and the ability to rapidly deliver power, preferably by June 2001. Part of the criteria used to determine the lowest cost will be the delivered cost of the energy minus LADWP's avoided costs. For the purposes of this RFP, Proposers may assume the following:

**Avoided Costs**

Description	Time	Avoided Costs
High Peak	Weekdays, 1 p.m. to 4:59 p.m.	\$40/MWh
Low Peak	Weekdays 10:00 am to 12:59 p.m. and 5:00 p.m. to 7:59 p.m.	\$38/MWh
Base Period	Weekdays 8:00 p.m. to 9:59 am All day Saturday and Sunday	\$27/MWh

The Proposer should deliver the energy to a point on the map included in Appendix A. If the Proposer can deliver to multiple points on the map, the Proposer may indicate separate prices for each point of delivery that the Proposer can deliver to.

Any action taken by the Board of Water and Power Commissioners will be subject to review and approval by the Los Angeles City Council and will not be final until such review process has been completed. The successful Proposer will be notified, in writing, when such review process has been completed, and of the award date of the contract.

## 5 Detailed Proposal Requirements

Provide the following information, as applicable. If these amounts will change from year to year, please provide the information requested for each year. If appropriate, routine outages for scheduled maintenance periods should be included in the monthly estimates and should be specifically noted.

### Capacity and Energy

- a. Firm capacity available to LADWP for each month.
- b. If different than above, capacity to be used for billing purposes. If applicable, provide the minimum hourly capacity that will be available to LADWP.
- c. Firm vs. non-firm energy available to LADWP for each month.
- d. Describe anticipated hourly, weekly, or annual load factor or other requirement.

### Operational Constraints

- a. Describe the constraints, if any, to LADWP's ability to schedule power from the units.
- b. Provide a description of any outages, both forced and planned, if such outages will affect the Proposers ability to perform according to the attached sample contract.
- c. Describe any other operational constraints that LADWP should be aware of.

### Pricing

For each year through the term of each proposed agreement provide the following:

- a. Firm vs. non-firm base prices as capacity rates and/or energy rates.
- b. The escalator, if any, for each rate.

### Guarantees

Describe in detail any guarantees or other forms of security for performance, such as a bond or similar security.

Performance and other guarantees that are made as part of the RFP may be incorporated into the ultimate contract and used for contract compliance



## **6 CONTENT OF RESPONSE**

All proposals should be in the format described herein. All requested information applicable to the Proposer's proposal should be supplied. Additional or separate information submitted will be accepted without prejudice to the proposal and will be considered in its applicable context, however, respondents should avoid including extraneous information.

Proposals should include the following information in the order listed:

### **6.1 Letter of Transmittal**

6.1.1 Briefly state the Contractor's understanding of the proposal and what is being offered to LADWP.

6.1.2 The address used in the proposal shall be considered the legal address of the Proposer and shall be changed only by written notice to the Department. The Proposer shall supply an address to which certified mail can be delivered. The delivery of any communication to the Proposer either personally, or to such address deposited in the United States Mail, registered or certified with postage prepaid, addressed to the Proposer at such address, shall constitute a legal service thereof.

### **6.2 Table of Contents**

Include a clear identification of the proposal by section and by page number.

### **6.3 Contractor's Qualification**

Identify the facility(s) or project(s). Briefly describe the facility or project.

### **6.4 Subcontractors**

State whether Contractor will use Subcontractors to perform services pursuant to the contract. Services Provided to the City of Los Angeles

### **6.5 Provide details if the Contractor, within the last three years has rendered any service to the Department or any other department, agency, or organization of the City of Los Angeles, either as a contractor or subcontractor, either under the current Contractor's name or any other name or organization.**

## **7 Discussions and Right to Reject Proposals**

### **7.1 The Department's Rights And Options**

This RFP contains only an invitation to make proposals to the Department. The Department reserves, holds, and may in its sole discretion exercise any or all of the following rights and options with respect to this RFP:

- a. To determine which proposals are eligible for consideration in response to this RFP.
- b. To issue additional subsequent solicitations for information, and to conduct investigations with respect to the qualifications of each Proposer.
- c. LADWP reserves the right to disqualify proposals for generation sources that do not have California Energy Commission (CEC) certification as renewable generation sources.
- d. To supplement, amend, or otherwise modify this RFP, and to cancel this RFP with or without the substitution of another RFP.
- e. To negotiate with Proposers on any proposal item or for amendments or other modifications to their proposals to the extent deemed to be in the best interests of the Department.
- f. To select and enter into agreements with the Proposer(s) who, in the Department's sole judgement, are most responsive to the RFP and whose proposal(s) best satisfies the interests of the Department, and not necessarily on the basis of price alone or any other single factor.
- g. To issue additional subsequent solicitations for proposals.
- h. To enter into agreements different from those contemplated by this RFP.
- i. To waive any irregularity or informality on any price proposal to the extent not prohibited by law.
- j. To reject any or all proposals.

### **7.2 Basis For Rejection**

A proposal may be rejected for any of the reasons below:

- a. Receipt of the proposal by the Department after the Response Deadline.
- b. Failure to meet the requirements described in this RFP.
- c. Failure to submit a complete proposal in the format specified in this RFP. This includes the absence of pertinent information requested which is necessary for proposal evaluation.
- d. Failure of the Proposer's authorized officer to sign the proposal.
- e. Inability or unwillingness to provide any of the required security.

- f. The proposal is not a firm offer for at least 180 days from the Response Deadline shown in Section 2.3.
- g. Misrepresentations in the proposal.
- h. Failure to permit disclosure of information contained in the proposal to the Department's agents or contractors.
- i. Any conduct or attempts to influence the Department's evaluation of the proposals outside the solicitation process.
- j. At the sole discretion of LADWP.

## **8 INCURRING COSTS**

### **8.1 Expenses Of Proposal Preparation**

Each proposal prepared in response to this RFP will be prepared at the sole cost and expense of the Proposer and with the express understanding that there will be no claims whatsoever for reimbursement from the Department.

The Department is not liable for any costs incurred by Contractors in responding to this RFP. Each proposal prepared in response to this RFP will be prepared at the sole cost and expense of the Proposer and with the express understanding that there will be no claims whatsoever for reimbursement from the Department. Proposer shall be liable to the Department for the cost of any requested maps, drawings, or other information related to the proposal.

## **9 DISPOSITION OF PROPOSALS and OWNERSHIP OF DATA**

### **9.1 Proprietary Information**

If Proposals include proprietary or confidential information, it shall be clearly marked. The Department will take reasonable precautions and use reasonable efforts to protect such information provided that such information is clearly marked as proprietary or confidential on the page it appears. The Department reserves the right to release such information to agents or contractors for the purpose of evaluating the proposal. Such agents or contractors will be contractually bound to the same standards of care with respect to the disclosure as the Department. In any event, the Department, its agents or contractors will not be liable for the damages resulting from any disclosure before, during, or after the solicitation.

## 9.2 Disposition of Proposals

All proposals submitted in response to this RFP shall become the property of the Department and a matter of public record. Also, the Contractor must identify all copyrighted material, trade secrets or other proprietary information that they claim are exempt from disclosure under the Public Records Act (California Code Sections 6250 et seq.) In the event such an exemption is claimed, the Contractor shall be requested to state in the proposal that they will defend any action.

## 9.3 Ownership of Data

### 9.3.1 Ownership of Work Product

If the proposal includes an option for the Department to purchase the project, upon completion of all work under the contract, ownership and title to all reports, documents, plans, specifications, and estimates produced as part of the contract must be automatically vested in the Department and no further agreement will be necessary to transfer ownership to the Department. Upon completion of all work under this contract, ownership and title of all reports, documents, plans, drawings, specifications, and estimates produced as part of this contract will automatically be vested in the City of Los Angeles, and no further agreement will be necessary to transfer ownership to the Department. Copies made for the contractor's records shall not be furnished to others without written authorization from the Department.

## 10 CONTRACT PERIOD

Contracts awarded from this RFP are expected to begin May 2001 and last up to 20 years.

## 11 STANDARD CONTRACT PROVISIONS

Attached in Appendix H is a draft agreement containing DWP Standard Terms and Conditions that will be made part of the final contract as applicable.

### **Affirmative Action**

During the performance of any contract, the contractor shall not discriminate in its employment practices against any employee or applicant for employment because of race, religion, national origin, ancestry, sex, age or physical handicap. All subcontracts awarded under any such contract shall contain a like nondiscrimination provision. The applicable provisions of Executive Order No. 11246 of September 24, 1965; Part 60-741 of 41 CFR pertaining to handicapped workers, including 60-741.4 Affirmative Action Clause; and Sections 10.8 to 10.13 of the Los Angeles Administrative Code pertaining to nondiscrimination in employment in the performance of City contracts are incorporated herein by reference and made a part hereof as if they were fully set forth herein.

### **Child Support Policy**

The Contractor and any Subcontractor(s) must fully comply with all applicable State and Federal employment reporting requirements for the Contractor's and any Subcontractor(s)' employees. The contractor and any Subcontractor(s) must fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with the California Family Code. The Contractor and any Subcontractor(s) must certify that the principal owner(s) thereof (any person who owns an interest of 10 percent or more) are in compliance with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally. The Contractor and any Subcontractor(s) must certify (Appendix G) that such compliance will be maintained throughout the term of the Contract.

Failure of the Contractor and/or any Subcontractor(s) to fully comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the Contract. Failure of the Contractor and/or any Subcontractor(s) or principal owner(s) thereof to cure the default within 90 days of notice of such default by the City shall subject the Contract to termination.

### **Current Los Angeles City Business Tax Registration Certificate Required**

The Contractor shall obtain and keep in full force and effect during the term of the contract all Business Tax Registration Certificates required by the City of Los Angeles Business Tax Ordinance, Article 1, Chapter II, Section 21.00 and following, of the Los Angeles Municipal Code.

Firm's current Business Tax Registration Certificate Number or, for those firms that are exempt, a Vendor Registration Number must be shown on all invoices submitted for payment. Failure to do so, may delay payment.

For additional information regarding applicability of the City Business Tax Registration, contact the City Clerk's Office on  
(213) 485-3960.

## **12 SIGNATURES AND DECLARATIONS**

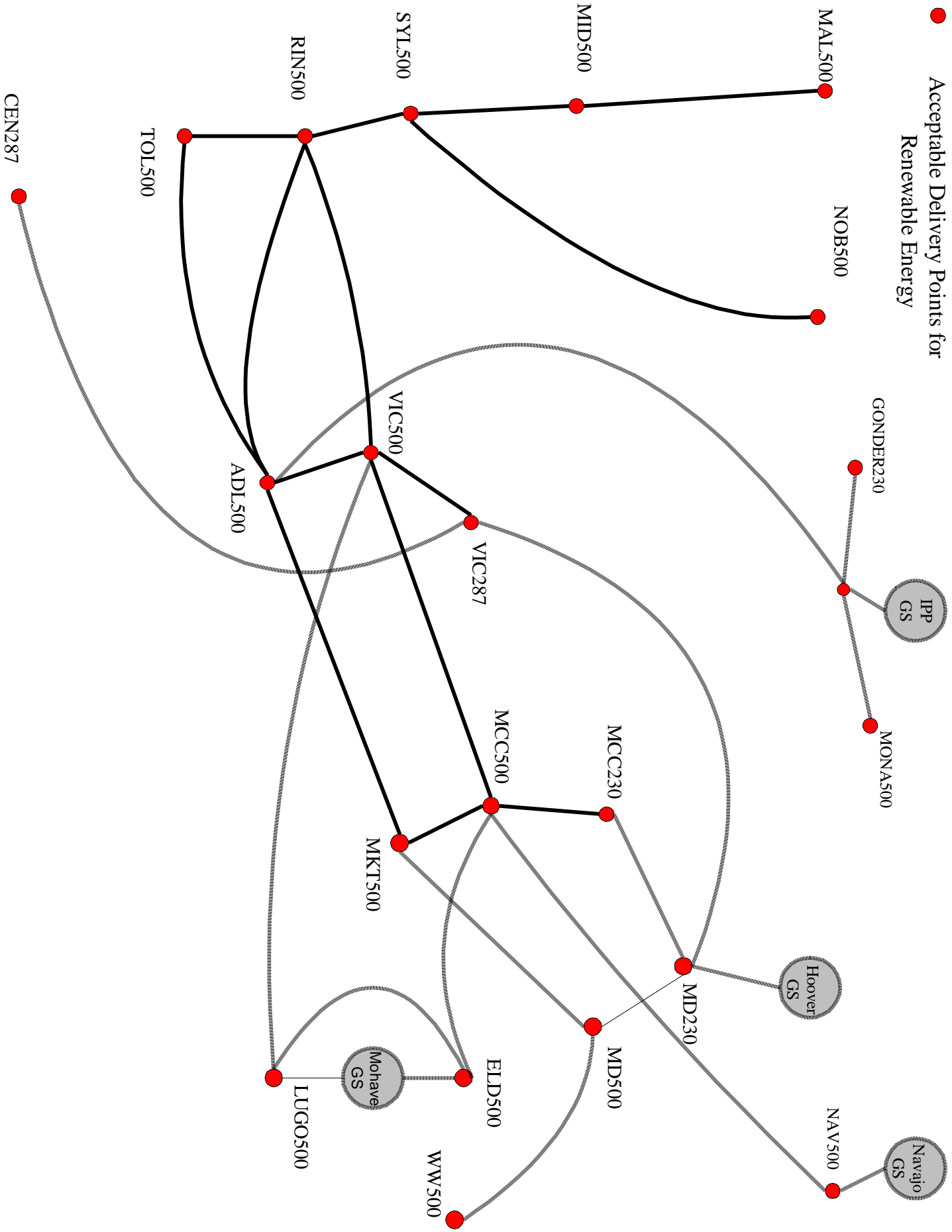
Proposals must be submitted in the legal name of the Proposer who would be bound by any agreement with the Department, and must include the following declaration:

“This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the Proposer has not directly or indirectly induced or solicited any other Proposer to put in a sham bid, or any other person, firm, or corporation to refrain from submitting a proposal; and the Proposer has not in any manner sought by collusion to secure for themselves an advantage over any other Proposer.”

## Appendix A

### Acceptable Delivery Points for New or Existing Renewable Energy

● Acceptable Delivery Points for  
Renewable Energy





**Appendix B**  
**Notice of Intent to Propose**

## **Notice of Intent to Propose**

This is to declare that the undersigned intends to respond to the following RFP for the City of Los Angeles, Department of Water and Power.

### **REQUEST FOR PROPOSAL**

### **TO PROVIDE NEW AND/OR EXISTING RENEWABLE ENERGY FOR THE GREEN POWER PROGRAM**

### **FOR THE DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES**

<b><u>Company</u></b>
<b><u>Mailing Address/Phone/Fax/Email</u></b>
<b><u>Contact Person</u></b>
<b><u>Authorized Signature and Date</u></b>

Return by mail or fax within 7 days of the date of this document on the cover page to:

John Giese  
111 North Hope Street, Room 1021  
Los Angeles, CA 90012  
213 367 0434 – Phone  
213 367-4507 – Fax

**Appendix C**  
**Employee Notice Re: Living Wage Ordinance**

**Appendix D**  
**Affirmative Action Requirements for Non-Construction**  
**Contractors**

## **Appendix E**

### **Tax Registration Certificate Requirements**

**Appendix F**  
**Supplier/Contractor Data Form**

**Appendix G**  
**Certification of Compliance with Child Support Obligations**

## **Appendix H**

### **Draft Agreement**